

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION

CONSUMER FINANCIAL PROTECTION
BUREAU,

Plaintiff,

v.

RICHARD F. MOSELEY, SR.; RICHARD F.
MOSELEY, JR.; CHRISTOPHER J.
RANDAZZO; SSM GROUP, LLC; CMG
GROUP, LLC; DJR GROUP, LLC; BCD
GROUP, LLC; HYDRA FINANCIAL
LIMITED FUND I; HYDRA FINANCIAL
LIMITED FUND II; HYDRA FINANCIAL
LIMITED FUND III; HYDRA FINANCIAL
LIMITED FUND IV; PCMO SERVICES, LLC;
PCKS SERVICES, LLC; PIGGYCASH
ONLINE HOLDINGS, LLC; CLS SERVICES,
INC.; FSR SERVICES, INC.; SJ PARTNERS,
LLC; RIVER ELK SERVICES, LLC; OSL
MARKETING, INC., a/k/a OSL GROUP, INC.;
ROCKY OAK SERVICES, LLC; RM
PARTNERS, LLC; PDC VENTURES, LLC;
and CORVUS COMPANY, LLC,

Defendants.

CASE NO. 4:14-cv-00789-SRB

JUDGE: Hon. Stephen R. Bough
CTRM: 7B

QUARTERLY REPORT OF RECEIVER UNDER L.R. 66.1(c)

Thomas W. McNamara, as Court-appointed Receiver (“Receiver”),¹ submits this report
of receivership activities for the period June 20, 2018 through September 17, 2018.

¹ The Receiver’s appointment was confirmed by the Preliminary Injunction entered October 3, 2014 which defines Receivership Defendants as the entities named as Corporate Defendants and any successors, assigns, affiliates, or subsidiaries that the Receiver has reason to believe are owned or controlled by any Defendant and conduct any business related to the Corporate Defendants’ consumer loan operations. Corporate Defendants include SSM Group, LLC; CMG Group, LLC; DJR Group, LLC; BCD Group, LLC; Hydra Financial Limited Funds I, II, III, and IV; PCMO Services, LLC; PCKS Services, LLC; Piggycash Online Holdings, LLC;

The receivership's financial condition has changed significantly from the prior Quarterly Report filed June 20, 2018 (Doc. 200). On August 21, 2018, in accordance with the Order of Forfeiture entered in Richard Moseley, Sr.'s criminal case (Doc. 199-1), the funds in the Receivership Estate's bank accounts – \$9,905,285.20 – were delivered to the U.S. Marshals via wire transfers per the directions of the U.S. Attorney's Office for the Southern District of New York. As of September 17, 2018, the receivership account has net cash funds of \$2,573.12. A Receipts and Disbursements Summary for the period covered by this Quarterly Report (June 20, 2018 through September 17, 2018) is attached as Exhibit A. During this period, receipts totaled \$10,785.37, less disbursements of \$10,114,626.56 as detailed in Exhibit A. The receipts were composed of \$1,954.85 in distributions from the SBV Memphis Summer Trace project and \$8,830.52 in interest. Other disbursements consisted of legal fees and costs of \$103,798.20, Receiver's fees and costs of \$7,393.40, Receiver's accountant's fees of \$88,026.32 for the preparation of tax returns for the years 2015, 2016, and 2017 on behalf of eleven Receivership Defendants, \$220 in annual reporting fees for four Kansas Receivership Defendants, \$9,055.48 expenses related to the Mexican condominium, electronic data hosting of \$512, renewal of the Receiver's bond in the amount of \$250, and records storage totaling \$85.96.

The Order of Forfeiture also included the Mexican condominium. *See* Doc. 199-1 at 9. In early July 2018, we made the last payment of expenses related to the Mexican condominium and informed Trevor Holsinger, the co-owner of the condominium, that we would not make any

CLS Services, Inc.; FSR Services, Inc.; SJ Partners, LLC; River Elk Services, LLC; OSL Marketing, Inc., a/k/a OSL Group, Inc.; Rocky Oak Services, LLC; RM Partners, LLC; PDC Ventures, LLC; and Corvus Company LLC.

additional payments for the condominium. Trevor Holsinger has entered negotiations with the Government to purchase the property.

The Receiver's lawsuit against the Katten firm continues.

Dated: September 18, 2018

THOMAS W. MCNAMARA

By: /s/ THOMAS W. MCNAMARA

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Court-Appointed Receiver

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CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of September, 2018, I electronically filed the foregoing document, with the Clerk of the Court for the Western District of Missouri by using the CM/ECF system which will send a notice of electronic filing to all parties participating in the Court's CM/ECF system and, to those parties not participating in the Court's CM/ECF system, mailing in the U.S. Mail a true and correct copy of the foregoing document, postage prepaid and addressed as follows.

Via CM/ECF

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Via CM/ECF

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Via CM/ECF

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/s/ Logan D. Smith

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